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17 August 1948

MEMORANDUM FOR: The Director, Central Intelligence Agency

SUBJECT: Security Reorganization

1. I believe that I should be remiss if I did not record certain impressions which have grown upon me during my year with CIA.

2. One of the great misfortunes of CIA is that it is the constant target of attack by outsiders, who from various motives, wish to tell the public what is wrong with it, or how it actually operates or how they imagine it fails to operate, usually with a view to discrediting it for personal reasons, or for pure destructiveness to delight the public moron who loves to be regaled by tales of inefficiency in high places. Naturally, OSO shares in this opprobrium. However, OSO has an additional affliction. Not only is it the butt of external attacks, but it is also increasingly subjected to assaults from those who are presumably its professional confreres, but whose desire and intent is very obviously ultimate emasculation, springing from the fact that they simply cannot bear the thought and sight of a unit among them which is not subject to their control. "Consolidation and Reorganization" is the order of the day, and these pretexts serve admirably those who are quite oblivious to the special needs of OSO or of any other need but that of perpetuating and magnifying their entrenched position within CIA.

3. Although I shall later comment on various other aspects of this general tendency to destroy the integrity of OSO, the current so-called consolidation of security functions is the immediate reason why I cannot refrain from presenting some of my observations.

4. The activation of this reorganization is so ill-conceived that I cannot believe that all of its implications could have been presented to you, if for no other reason than the fact that those who drew it up were not, themselves, aware of all its implications. In preparation for this accretion of function, at no time was OSO Security Office ever consulted to determine what our special functions and requirements are, much less were any preparations made to handle them properly, which naturally was impossible in view of the fact that the new incumbents were quite ignorant regarding most of them. They assumed that our business corresponded exactly to theirs and were not aware of the many operational features of OSO security.

HISTORICAL DOCUMENT

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Naturally they were not supposed to know, but it is depressing to realize that they could bludgeon their way into a position of amalgamation without knowing what they were amalgamating, and without consulting our people as to how to continue to deliver the operational services we are now receiving.

5. In examining the new T/O of the Security reorganization, which has been forwarded to me for concurrence, I find that our former Security Section T/O was [redacted] persons, while that of the reorganization is [redacted]. Actually OSO represents about 1/3 of CIA, yet our activities utilize only 1/4 of the security organization. This in itself implies, if it does not prove, that our office has been more economical, particularly when it is borne in mind that [redacted] were field investigators.

6. At present, OSO, of approximately [redacted] people, currently includes [redacted] persons of CAF-15 or equivalent (including Colonels and Captains). The new T/O for the overall security organization includes [redacted] as many people as OSO. Yet it lists [redacted]. Thus to compare rating levels of similar organizational sizes, we must multiply Security ratings by [redacted] to see what numbers of these ratings would exist in OSO if we were to be staffed similarly to the new Security Office. Immediately this produces [redacted] CAF-15s. As stated above we actually have [redacted]. We have one CAF-15 to approximately [redacted] people. Security proposes one to [redacted]. Examining some other ratings, the following table sets them forth realistically.

| <u>Rate</u> | <u>New Security T/O</u> | <u>Actually in OSO</u> |
|-------------|-------------------------|------------------------|
| CAF-14 | [redacted] | [redacted] |
| CAF-13 | [redacted] | [redacted] |
| CAF-12 | [redacted] | [redacted] |

Thus it is seen that top flight personnel in the new unit is, on the average, at least twice as heavy with rank (proportionately) as is OSO. I cannot believe that our work is so inferior in requirements to that of the Security Office that we need only half as much high-priced talent. In the provision for four CAF-15s, in the new setup, I am reminded of the fact, that recently our Chief of Registry was denied a CAF-13, when Registry should be recognized (and is so recognized by the British) as the guts of a Secret Service.

7. I am not familiar with the details of the old Security T/O but I believe that the new T/O will probably provide for the promotion of some people. Yet not one person in OSO Security is given any promotion, nor have I any indication that provision for promotion in the future has been made for any OSO personnel. Our whole personnel apparently constitutes the bastard at the family reunion.

8. A consideration of the foregoing facts seems to demonstrate that whatever may have been the ruses of reorganization, amalgamation, centralization, economy, etc. which put across this deal, in result

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it represents a skillful grab of an inflationary nature, in which the integrity and security of OSO appear quite secondary.

9. In addition to the foregoing reorganization, I find that the Office of General Counsel, CIA, is also preparing a reorganization of functions. On the legal front, a setup of duties is proposed for a total staff of [REDACTED] within all of CIA. Of these, [REDACTED] are assigned to duties in direct connection with OSO, not to mention the ex-officio capacity of the General Counsel himself. With OSO representing about 1/3 of CIA, it seems disproportionate that we need 4/5 of the legal "protection", particularly when a great deal of our business must be

[REDACTED] Actually, it seems as though one lawyer assigned to us for consultation when we need him would be ample for our actual requirements. Of course, it is a well recognized truth that no lawyer can be really happy unless there are at least five names on his door, but if CIA must have [REDACTED] I still insist that the volume of OSO business cannot warrant [REDACTED] of them being attached to this office. I have made some investigation into the volume of legal business we originate, and have directed that future legal matters be directed through me, so that I can see for myself what are these weighty problems proposed by OSO in such volume and diversity that it takes three lawyers to handle them.

10. Aside from the purely technical aspect but with no personal implications whatsoever, the foregoing merely expands unnecessarily the ever-widening concentric circles of people who know details of OSO operations. Although "only" [REDACTED] of the lawyers are attached to OSO, I feel sure it is unlikely that the remaining two will be kept in ignorance of much that is really interesting. In a business that exists solely through secrecy, we are unnecessarily violating the basic axiom of security: "What three people know, the world knows".

11. You are, of course, familiar with the recent proposals of the Executive for A & M that he consolidate all so-called services, including Supply, Transportation, Personnel, Registry, Communications and Special Funds. More and More it seems to me that CIA is becoming infested with the ideas of those who, as I have said before, simply cannot bear the thought of the fact that their hooks are not in our business. If this type of reorganization continues to be successfully wangled, perhaps OCD may propose that it take over what ultimately remains of OSO because they are the Office of Collection and OSO is basically a collection unit. Actually the statement was recently made in this office (not by a member of the Office of A & M) that "There is nothing in OSO that can't be taken over by somebody else". If this is at all representative of current thinking, we should accomplish it as soon as possible so that the professionally qualified, but apparently emotionally misguided personnel of OSO can stop trying to convince themselves that they are making a useful, important contribution.

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12. More and more it seems to me that the foregoing ideas are influencing CIA to forget that the first requirement of a clandestine service is to be secret. If this influence cannot be combatted, I think I should be forced to agree with those who believe that the Secret Service should be divorced completely from the Coordination and Evaluation services. I do not see how the integrity of OSO can survive if it continues to be assaulted by bureaucratic invasions carried out in steam roller fashion, as has been the Security reorganization.

13. Until the current Security move, OSO might have been considered as almost a complete self-contained identity. I am of the opinion that the realization of this unpalatable truth (bureaucratically speaking) may be leading to a planned campaign for removing more of our functions, getting octopus tentacles into others, making it eventually physically impossible to pull apart the network of umbilical cords which are being so successfully attached to this office nearly two years after its birth. I cannot rid myself of the impression that there are those whose intent, and self-interest, is to pad CIA with paper-work moguls and reduce it to a slumbering bureaucracy molded along the organizational lines of the Department of Agriculture, - and therefore, approximately as clandestinely useful, as secure, and as secret.

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| OR COUNTRY(S) | ORGANIZATION(S) | GENERAL FUNCTION(S) | SPECIFIC FUNCTION(S) | DOC DATE CLASS |
|---------------|-----------------|---------------------|----------------------|----------------|
| HQ | A and M | | | |
| | CIA | DDP | Reorganization | 17 Aug. |
| | OSO | SUP | Legal Services | 1948 |
| | O/SEC | FI | Security | |
| | REGISTRY | | Personnel | |
| | | | Functions | |

NOTIFICATION OF DOCUMENT 25X1A
 Memo of [REDACTED] to Director of CIA, Subject: Security Reorganization; 4 p.

ABSTRACT NOTATION REFERENCES

Comments on the trends within the Agency which are working toward embarrassing the integrity of OSO and ignoring its special functions within the Agency. [REDACTED] finds especial fault in a current Security reorganization. Cites figures to show disproportionately low number of top-ranked personnel assigned to OSO.. Comments on the security risk of OSO's overly large legal staff. He states the decline of OSO integrity is a promotion of beauracracy and works to the detriment of security and efficiency. 25X1A

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